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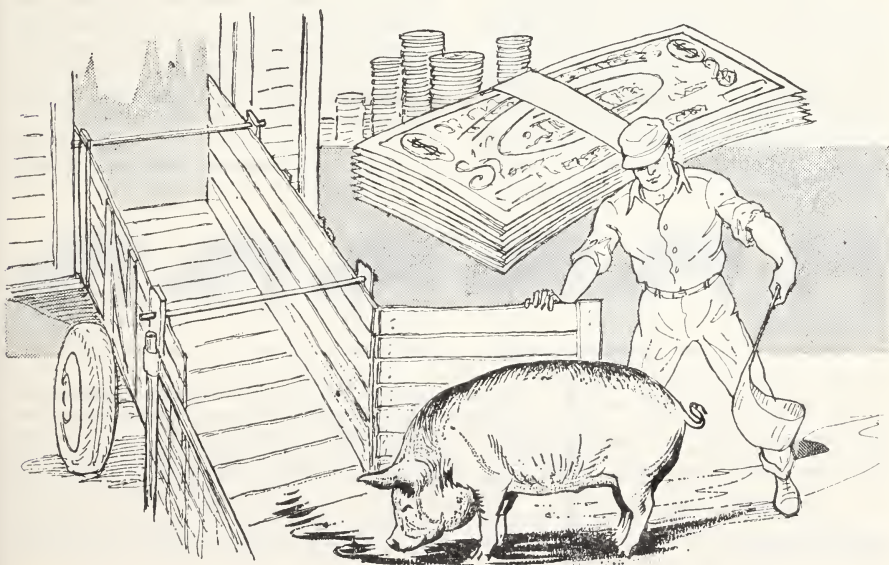
U. S. DEPARTMENT OF AGRICULTURE
BELTSVILLE BRANCH

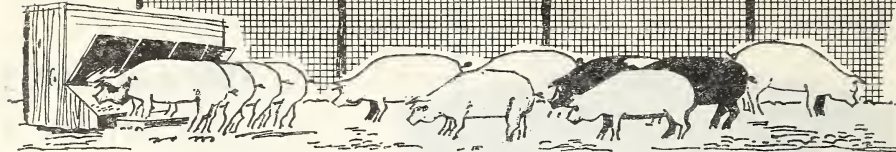
1962 LOOKS LIKE A GOOD YEAR FOR HOG PRICES

Another good year for hog producers appears likely from the latest Pig Crop Report. This report—based on questionnaires returned by 184,000 farmers—shows that hog production is increasing slowly, about in line with the growth in consumer demand. Hence, hog prices should be relatively stable

in the year ahead and average nearly as high as the relatively good prices received in 1961.

The 1961 fall pig crop now coming to market is 4 percent larger than the 1960 fall crop. The increase resulted from 2 percent more sows farrowing and 2 percent larger litters. Sow far-





rowings were spread out more evenly over the fall season last year than a year before. Regionally, the North Central States accounted for all of the increase from a year earlier.

Hog producers reported intentions, as of December 1, to have 3 percent more sows farrow spring pigs this year than last. Farmers as a group usually carry out December plans fairly closely. They may not be able to raise as many pigs per litter this spring as they did last year when a new record was set. Hence, the spring pig crop is expected to be about 2 percent larger this year than last.

Farmers in 10 of the leading hog-producing States indicate that they plan to increase spring farrowings a little more than do States outside the Corn Belt, and that much of this gain will be in early litters. This will help prevent a serious bunching of marketings next fall.

As most pigs are slaughtered at 6 to 8 months of age, the distribution of farrowings by months in last fall's pig crop points to a less than usual amount of variation in hog slaughter and prices the rest of this winter. Slaughter will continue above and prices will probably be a little below a year earlier during

this period. Hog prices in mid-January were nearly the same as last January.

As hog marketings pick up this spring, when peak fall farrowings are marketed, some decline in prices is likely. This decline will be shorter and less pronounced than last spring's price weakness. By midyear, prices will be near those of 1961.

If most of the expected increase in 1962 spring pigs comes in early farrowings, hog prices this summer may not average as high as last summer. However, if the spring pig crop turns out no larger than now seems likely, prices this fall will probably be close to those last fall.

Some pickup in demand for pork seems likely this year and may offset part of the effects of greater pork supplies. Consumer incomes are expected to be larger in 1962 than in 1961, notably in the first half of the year. Population will be up and there will be smaller supplies of other red meats per person. The average price to producers for hogs last year was \$16.60 per 100 pounds and chances are good that prices will average nearly that high in 1962.

Earl Miller
Economic Research Service



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CATTLE ON FEED UP 2 PERCENT

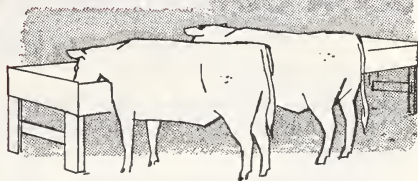
On January 1 this year, 7.8 million head of cattle and calves were on feed for market in the 26 major feeding States—the North Central States, Western States, Pennsylvania, Oklahoma, and Texas. This was 2 percent above the 7.6 million head on feed in these States January 1 a year earlier and was the fourth consecutive year of increase. Numbers were up seasonally 40 percent from the 5.6 million head on feed October 1, 1961, compared with a 49-percent increase for the same period a year earlier.

Cattle and calves on feed in 37 States, including the 26 major States and 11 Southeastern States (for which comparable January 1 data are available), totaled 8.3 million head compared with 8.0 million head on feed January 1 last year. In addition, estimates available for the first time for the States of Maryland and New York showed 36,000 head of cattle and calves on feed for these two States January 1, 1962.

In the North Central States the 5.3 million head on feed January 1 was up 1 percent from a year earlier. However, Iowa, the leading State, was down 1 percent. Missouri and North Dakota were sharply lower, and Ohio and Minnesota showed relatively smaller decreases. More than offsetting these reductions were Nebraska with a 21-percent increase, and South Dakota and Michigan with 11 and 10 percent gains, respectively. The remaining States in this group were unchanged to slightly higher than January 1 last year.

The 11 Western States had a total of 2.1 million head on feed January 1—an increase of 3 percent from last year. California, the leading Western State, was up 8 percent. Increases for other States ranged from 3 percent for Oregon to 21 percent in New Mexico. A 4-percent decline occurred in Colorado. The remaining States in this group, most of which are relatively small feeding States, had reductions ranging from 3 to 20 percent.

Compared with a year earlier for the 26 major feeding States, the greatest



increase in numbers by weight groups was in the 500-pound group—up 17 percent. Cattle weighing 500 to 699 pounds were unchanged, and the 900- to 1,099-pound group was up 7 percent. Numbers in the 700- to 899-pound group were off 5 percent, and the over-1,100-pound group declined 4 percent.

On January 1, cattle and calves on feed less than 3 months in the 26 States were up slightly from a year earlier. Numbers on feed 3 to 6 months were 2 percent higher, but cattle on feed over 6 months with a 37-percent increase accounted for most of the gain in total numbers on feed.

Steers and steer calves on feed in the 26 States were 3 percent higher this year, but heifers and heifer calves were slightly lower than January 1, 1961. Cows and others amounted to 98,000 head on feed, compared with 82,000 head a year earlier.

Cattle and calves placed on feed during October, November, and December 1961 in the 26 States, at 5.7 million head, were slightly higher than a year earlier. By areas, placements were down 4 percent in the North Central States, but up 7 percent in the Western States. For the 26 States marketings of fed cattle during the same period at 3.4 million head were 10 percent higher. The North Central States, with a 13-percent increase, accounted for most of this gain.

In the 26 States feeders expect to market 3.3 million head of cattle (42 percent of the January 1 number on feed) during January, February, and March 1962. This number would be 3 percent more than were marketed during this period last year from January 1, 1961, numbers on feed.

Ray S. Crickenberger
Statistical Reporting Service

USDA CONSUMER SERVICES HELP THE FARMER, TOO

Consumer programs in the Department of Agriculture provide two-way benefits.

In the Statistical Reporting Service, the Economic Research Service, the Agricultural Marketing Service, and the Agricultural Research Service, for instance, many programs that offer definite advantages to the consumer also benefit the producer.

Grading and Inspection

Grading and inspection give the homemaker the kind of purchasing guide she needs to select meats and dairy and poultry products for her family. At the same time, they give to the farmer a better price for his products.

Inspection and grading of fruits and vegetables at processing plants offer this same protection. So do the Federal Seed Act, the Packers and Stockyards Act, and the Perishable Agricultural Commodities Act.

Marketing research people in the Department find ways to maintain the quality of perishable foods and help get farm products to market in good condition, as well as develop the best possible method of shipping and storing foods.

Another job for USDA is finding out what the consumer wants and, incidentally, selling more farm products through consumer research. The Statistical Reporting Service conducts household surveys to see how satisfied customers are, to check what changes they might like.

The Economic Research Service examines the market to see how things are going at the retail level and how they could be improved. Its costs and margins studies show where the food dollar goes and how improvements in the marketing system—often at the suggestion of the Department—help to hold back rising costs of handling food.

Every new and better way to use food and clothing and every change in consumer living patterns make a difference

to the farmer. Eating habits, ways of managing a household, the use of food and fibers come in for scrutiny by the Agricultural Research Service. What they find tells the farmer much about what's happening to his market.

Making the job of the housewife easier and better is another service that reaches back to the farmer—right into his own home. For the farm wife, as well as the city wife, needs to know about nutrition and health, clothing and textiles, home improvement, child care and family management. This information is provided by the Federal Extension Service and the Agricultural Research Service in nutrition and consumer-use research.

Research

In the fields and farmyards, the protective programs of the Agricultural Research Service make a BIG difference to farmers—as well as offering a service to the consumer. Look at what has been done in animal disease eradication and in plant pest control. Inspection and quarantine help keep farm animals and plants healthy, and take a lot of worry out of animal husbandry and crop production.

But one of the most exciting services to the consumer—and to the farmer—is creating and developing new food and fiber products. That is, finding new ways to expand their markets.

Work on new products is done in the four utilization research laboratories of the Agricultural Research Service. Products are consumer tested by surveys in the Statistical Reporting Service; they are market tested by retail specialists in the Economic Research Service.

As so often is the case, providing consumer services—and services that benefit the farmer at the same time—takes the combined effort of the whole Department of Agriculture, plus the cooperation of many State agencies, the food industry, and the farmer. Working together, everyone benefits through *consumer services*.

outlook



Farmers realized a total net income of \$12.7 billion in 1961—a billion dollars more than in 1960—and the highest since 1953.

Cash receipts from marketings and Government payments to farmers for all of last year were each up about $\frac{3}{4}$ billion dollars from 1960. A rise of \$500 million in production expenses was partially offsetting. The largest gains in cash receipts were registered by soybeans and hogs.

VEGETABLES



The severe freeze in early January damaged fresh market vegetables in Florida and Texas. Texas was hardest hit. Forecasts as of January 1 indicated a slightly smaller crop this winter than last. But freeze damage since then will reduce output further.

SOYBEANS

The price support for 1962 crop soybeans has been set at \$2.25 per bushel, compared with \$2.30 per bushel this year. The soybean supply for 1961-62 is estimated at 699 million bushels, up 120 million bushels from last year. Crushings are forecast at a record 425 million bushels, about 6 percent above last year's crush. Exports are expected to be around 170 million bushels, up nearly one-third from 1960-61. This would result in a carryover of 65 mil-

lion bushels on September 30, 1962, which would be 59 million above the unusually small carryover last year.

BROILERS

Broiler prices rose rapidly from November to December after having remained at extremely low levels in the previous 6 months. In January they were $\frac{1}{2}$ cent below a year earlier. The outlook over the next few months is for production to be close to that of the same period a year ago.

TOBACCO

Further gains in tobacco use are expected for cigarettes and cigars in 1962.

EGGS

Egg output will top year-ago levels in the first quarter of 1962, with prices running significantly lower. In January, U.S. farmers received around 35.4 cents for a dozen eggs, compared with 38.6 cents a year ago.

FEED



So far this feed year, feed grain prices have averaged above the early 1960-61 level, and they have also been more stable. Price supports for 1962 feed grain crops, announced January 9, are the same as in 1961.

continued



The total supply of feed grains for 1961-62 is estimated at 226 million tons, about a 5-million-ton drop from 1960-61. With a little heavier disappearance than last year's 146 million tons, about 7 million tons less feed grain would be carried over into 1962-63 than the 84.7 million tons carried over at the start of this season.

COTTON



The smaller exports of cotton during 1961-62 will slightly increase the cotton carryover next August from the 7.2 million carryover of last August.

FRUIT

The Texas citrus crops and trees were extremely hard hit by freezing weather in mid-January. Total damage has not yet been fully assessed. It appears, however, that damage is severe and that not much additional fresh citrus will be shipped from Texas this season. In Florida at the turn of the year, frost caused some damage, but it is expected that most of the fruit can be salvaged. California citrus had some light frost damage.

MILK



Wholesale milk prices are likely to average a little lower in the first quarter of 1962 than a year earlier. A gain in production without equal gains in consumption of fluid milk is the main

reason. Prices of manufacturing milk are expected to average around the \$3.40 support level. Prices of milk eligible for fluid use will be down from a year ago. By April 1 price supports will be announced for the coming marketing year.

HOGS



This spring's pig crop will be about 2 percent larger than last spring's, if farmers fulfill their December 1 intentions. Most of the gain will occur in the Corn Belt and the South Atlantic States. Such a crop will total about 51.5 million head, marking the second straight year of gradual increase in hog production. Figuring prominently in the uptrend is the plentiful supply of feed grain and oilseed available. Hog slaughter is declining seasonally; prices are rising. In late winter this situation should be temporarily reversed as pigs from peak fall farrowings come to market. Slaughter and prices in March and April probably will be near year-ago levels.

CATTLE



Fed cattle prices eased upward at year's end after general stability during the fall. The December average of \$26.13 for Choice steers at Chicago was only slightly below the previous December. Prospects are for fed cattle prices to be stable through the first quarter.

The Farmer's Share

The farmer's share of the consumer's food dollar was 38 cents again in November 1961, the same as it was in October. In November 1960 the farmer's share was 40 cents.

1960-61 U.S. AGRICULTURAL EXPORTS SET VALUE AND VOLUME RECORDS

New records in both value and volume were established for U.S. agricultural exports in fiscal year 1960-61. The value of \$4,946 million was 9 percent above the previous year's level and 5 percent above the prior record of 1956-57, when exports were stimulated by the Suez crisis. Export volume was 7 percent larger than the previous record of 1959-60.

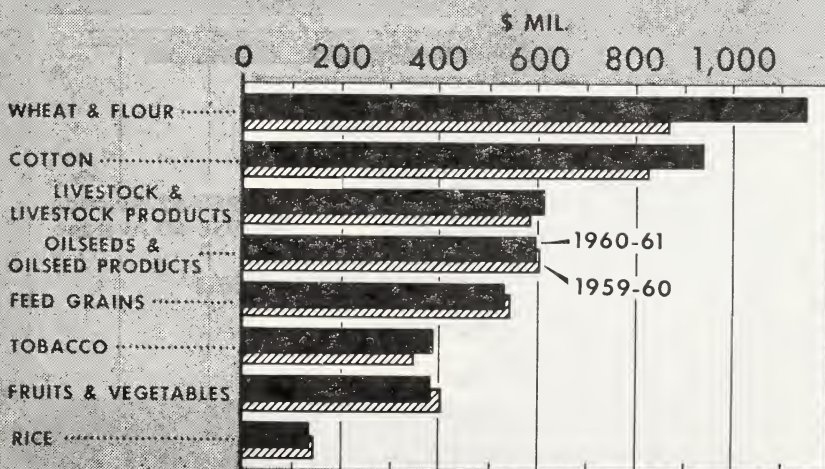
Substantial increases in wheat and cotton exports accounted for over 90 percent of the overall value gain. Increases occurred also for soybeans, tobacco, hides and skins, poultry products, and meat. New records were established for wheat and flour, corn, soybeans, hides and skins, variety meats, and poultry meat. Feed grains, rice, fruits and preparations, and dairy products had relatively little change in value. Major reductions in value were in animal fats, cottonseed and soybean oils, and vegetables and preparations.

Last year's exports were equivalent to 15 percent of cash receipts from farm marketings. Foreign shipments provided an outlet for about half of the domestic production of rice, cotton, and wheat; for around two-fifths of the soybeans and tallow produced; and for nearly a third of the output of tobacco, hops, nonfat dry milk, raisins, and hides and skins.

Both sales for dollars and shipments under Government-financed export programs contributed to the rise in exports in 1960-61. Agricultural exports for dollars rose to \$3,393 million from \$3,203 million a year earlier and were about equal to the previous record of 1951-52. They represented nearly 70 percent of all agricultural exports last year. Wheat, corn, soybeans, cotton, and tobacco showed the largest increases over 1959-60. Dollar sales were up also for poultry meat, variety meats, and hides and skins.

Alex Angelidis
Economic Research Service

Wheat and Cotton Lead 1960-61 Advance in Agricultural Exports



Year ending June 30

WHERE THE FILLER, BINDER, AND WRAPPER GROW

"A good cigar is a smoke." So said Rudyard Kipling in his poem, "The Betrothed," and evidently 13 million men in the United States agree with him. Of this estimated number of cigar smokers, about 4 million smoke cigars every day. The other 9 million smoke cigars occasionally; the frequency varies, but they average less than one a day.

By far the largest volume of cigars sold in this country consists of blended cigars—those made of U.S. tobaccos blended with imported tobaccos. The mainland United States produces cigar filler, binder, and shade-grown wrapper tobacco, and Puerto Rico produces a substantial volume of cigar filler. Filler tobacco is produced in Pennsylvania and Ohio; binder tobacco, in Connecticut, Massachusetts, and Wisconsin; and shade-grown wrapper, in the Connecticut Valley, Georgia, and Florida.

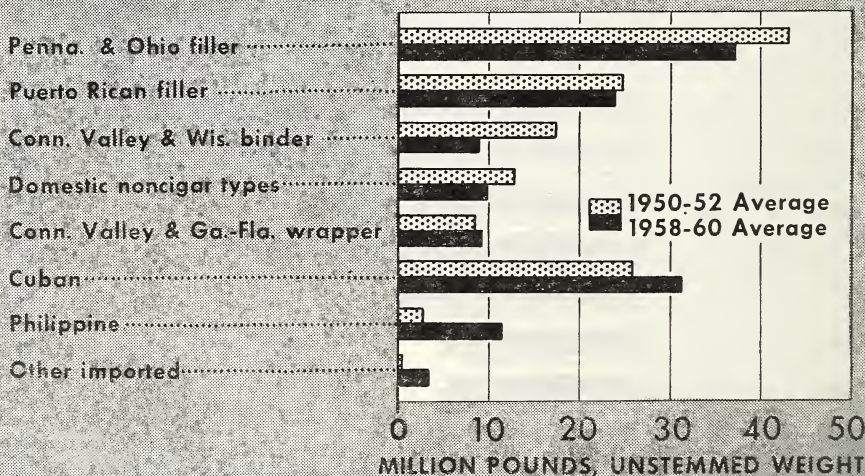
In recent years, around 135 million pounds of tobacco (unstemmed processing weight) were used on the average

in the approximately 7 billion cigars smoked each year. U.S. tobaccos made up about two-thirds of this total, and imported tobaccos—mainly Cuban and Philippine—the other one-third.

Total tobacco use in cigars has shown little change in the last 8 years or so, despite a substantial increase in numbers of cigars produced. One reason has been the increased output of cigarillos (much smaller than the traditional full-size cigar) and intermediate-size cigars. Another reason has been the development of processed sheet binder, which enables the use of the entire leaf, including the stem or midrib. This has sharply reduced the requirements for cigar binder leaf, particularly Connecticut Valley binder. Between 1950-52 and 1958-60 (marketing year basis), domestic use of Connecticut Valley binder dropped almost 70 percent.

During the same period, domestic use of Wisconsin binder fell 35 percent. An important outlet for Wisconsin binder

TOBACCO USED IN CIGAR MANUFACTURE



MARKETING YEAR BASIS

U. S. DEPARTMENT OF AGRICULTURE

NEG. BRS 339X-61 (11) ECONOMIC RESEARCH SERVICE

is the manufacture of scrap chewing tobacco. Although scrap chewing output has trended downward, use for this purpose contributed to the lower rate of decline for Wisconsin binder compared with that of Connecticut Valley binder.

Cigar tobacco is imported mainly for blending with domestic types. Tobacco produced in each area of the world has its own characteristics that often make it distinctly different from that grown in other areas. Cuba—traditionally our principal source of imported cigar tobacco—produces tobacco that is unique in flavor and aroma. This is due to favorable climate and soil, and the way in which the tobacco is processed and aged.

In the last 3 years, Cuban tobacco made up nearly one-fourth of the total tobacco used for U.S. cigars. It is estimated that around two-thirds of the cigars smoked in this country contain Cuban tobacco in varying amounts. A fairly sizable number of cigars are the "clear Havanas" (consisting entirely of Cuban tobacco), or have a filler that is predominantly Cuban tobacco. But much more important in volume are cigars with filler in which Cuban tobacco was blended with other kinds, mainly Pennsylvania and Puerto Rican filler types.

The average values per pound of tobacco imported from Cuba are a good indication of the unique place this tobacco occupies in U.S. cigar manufacture. In the year ended September 30, 1961, the average values per pound of Cuban tobacco imported for consumption were as follows (unstemmed weight

basis and excluding duty): Filler, \$1.30; scrap (pieces of leaves), \$0.59; and wrapper, \$4.50. These values are substantially higher than for most other imported cigar tobacco, and exceed prices of most U.S. cigar types by a wide margin.

On February 3, 1962, President Kennedy by proclamation placed an embargo on Cuban trade with the United States. Effective February 7, imports into the United States of Cuban tobacco, cigars, and all other goods of Cuban origin were prohibited.

Arrivals of Cuban tobacco in 1961 were substantially below the unusually large shipments in 1960 and moderately below the average in the years just preceding the Castro regime. Because of the uncertainties resulting from unsettled conditions on the island, U.S. manufacturers have been cutting down their use of Cuban tobacco to stretch supplies. In the year ended September 1961, for example, use of Cuban tobacco was about a sixth less than 1 year earlier and nearly a fourth less than 2 years earlier.

On the other hand, use of Philippine cigar tobacco has risen steadily in recent years. Philippine tobacco goes chiefly into lower priced cigars, which have made large gains in the last few years. Also, there have been increased arrivals from certain other countries which prior to 1959 generally furnished negligible quantities. These countries include Colombia, Dominican Republic, Brazil, Paraguay, Peru, Indonesia, and the Netherlands.

*S. M. Sackrin
Economic Research Service*

Smaller Turkey Crop in Prospect

A survey of turkey growers made by the Statistical Reporting Service found that as of January 1, 1962, turkey growers intended to produce 12 percent fewer turkeys in 1962 than last year. Growers plan decreases of 19 percent in light breeds and 11 percent in the heavy breeds, with heavy whites down 3 percent and other heavy breeds down 15 percent from 1961. If growers carry out their intentions, about 94 million turkeys will be raised, compared with 107 million in 1961.

Other survey data also indicate a substantial cut in the 1962 turkey crop. Testings of all heavy breed turkeys during the period July through December 1961 were down 14 percent from the record high number during the same period of 1960. As of October 1, turkey breeder flock owners expected to hold the same number of heavy breed hens but 24 percent less light breed hens. Prices received by farmers for live turkeys during the heavy fall mar-

(Continued on page 12)

FARM REAL ESTATE PRICES REBOUND

Reaching a record high after leveling off a year earlier, the average market value of farm real estate in the United States rose 4 percent during the year ended November 1, 1961. On that date, the national farm real estate price index was 179 (1947-49=100), 7 points higher than a year earlier. As a result, the estimated current dollar value of all farmland increased more than \$5 billion in 12 months.

Ranging upward to as high as 9 percent in Florida, all States showed an increase in average farmland value except Maine. In 44 of 48 States, market prices of farmland were 2 percent or more above those of a year ago. In 17 States, increases were estimated to average 5 percent or higher. This broad upward movement of farmland values reversed a dip noticeable in the fall of 1960 when the index was 172, 1 point below the March and July index numbers of the same year.

Although the present rate of annual increase is not of record proportions, as recently as 1958-59 farmland values

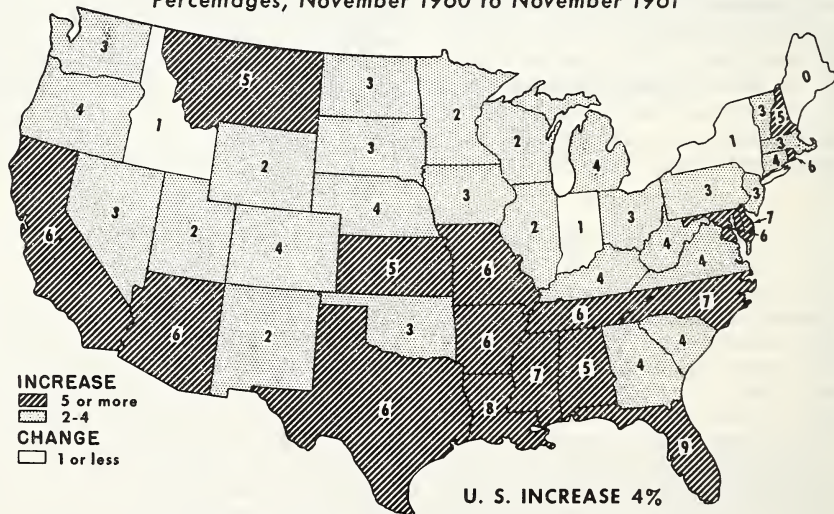
rose almost 8 percent in a year; the movement was strong, fairly uniform, and widespread. This reflects a relatively good demand for farmland throughout the country. In part, this renewed vigor in the farm real estate market probably stems from a 10-percent increase in farm income in 1961 in combination with an optimistic outlook for the immediate future.

The area of greatest strength in average farmland prices was the southern tier of States extending from the Atlantic to the Pacific Ocean. Aside from the high-value specialty crops produced in Florida and California, at least two farm products—beef cattle and cotton—are common to most of this section of the country. Not only are prices of both these commodities at a comparatively high level, but their price outlook is stable. Farmland values in these States probably are based, at least partially, on the capitalized value of net incomes of producers of these commodities.

John F. Gale
Economic Research Service

CHANGE IN DOLLAR VALUE OF FARMLAND

Percentages, November 1960 to November 1961



BASED ON INDEX NUMBERS OF VALUE PER ACRE, INCLUDING IMPROVEMENTS

FARMLAND TAX PROBLEMS IN THE RURAL-URBAN FRINGE

In recent years many farmers have seen at firsthand that expanding cities have serious effects on agriculture in the surrounding countryside. One such effect is a tendency for taxes to rise sharply on land used in farming. A sudden increase of population in a predominantly rural area requires expanded public services, which local governments pay for largely from property tax revenues. In addition, the assessed values on which property taxes are based tend to rise, reflecting any growth in potential for farmland development into homesites or other urban uses. Until development occurs, however, higher property taxes may work a severe hardship on the farmer who continues to try to make his living from the land.

To some, it seems unfair to increase a farmer's taxes simply because his land lies in the path of urban growth and has value for potential development. It is asserted, too, that the property tax, if increased in line with rising land values, encourages premature abandonment of farming operations, with bad effects on land use and ownership. These claims have been hotly debated, but as in other instances involving economic policy, the questions remain for the most part unresolved.

In several States, concern over the supposed effect of taxes on agriculture in rural-urban fringe areas has led to the enactment of special legislation to hold down farm taxes. Essentially, these laws require that land, as long as it continues to be used in agriculture, must be assessed for tax purposes on the basis of its value for agricultural use alone. The assessor is instructed to ignore any value that farmland has for development in nonfarm uses.

Legislation of this kind has been put on the books in Maryland, Hawaii, Oregon, California, Florida, and New Jersey. In the last two States, the operation of the law has been suspended by court tests of constitutionality. The California law is in the form of a constitutional amendment that



will be voted on in the November election. Hawaii and Oregon have adopted their legislation only within the last year. In Maryland alone a policy of assessing farmland exclusively on the basis of "agricultural value" has been in operation long enough to have some of its effects observed.

Since its enactment in 1956, the agricultural assessment law has held taxes on farmland substantially below what they otherwise would have been. However, several problems have been encountered. One is that of defining "land used in agriculture" so as to limit the tax benefit to active farms. A major criticism has been that speculators and investors are enabled to buy land and hold it, at low taxes, while awaiting the strategic time to sell or develop it. Related to this is the criticism that the landowner is not required to pay back the abated taxes when the land is finally developed.

The California and Hawaii legislation is designed to meet some of these problems. In both States, taxes chargeable to nonfarm values are not forgiven outright, but are deferred so long as the land continues to be farmed. If later the land is developed, the deferred taxes then become due and payable. In Hawaii, the tax deferral for farmland is part of a statewide program for controlling land use.

In addition to the States that have adopted laws to ease taxes on farmland in the rural-urban fringe, there are many in which legislation has been considered but not enacted. Among these are Massachusetts, Connecticut, Indiana, Illinois, Nevada, and Washington. It seems likely that proposals of this kind will come up in at least some of the 20-odd States whose legislatures meet this year.

Frederick D. Stocker
Economic Research Service

FEWER SHEEP AND LAMBS ON FEED

The number of sheep and lambs on feed for market totaled 4.2 million head on January 1, 1962, 6 percent less than a year earlier.

In the North Central States, 2.4 million sheep and lambs were on feed January 1, 1962. This was 8 percent below the 2.6 million head on feed January 1, 1961. The sharpest percentage decline was in Missouri where numbers were 22 percent below the previous year. Other decreases were: Wisconsin, 20 percent; Iowa, 16 percent; Ohio and Nebraska, each 15 percent; Indiana and South Dakota, each 12 percent; Michigan and Minnesota, each 1 percent. Increases were as follows: North Dakota, 13 percent; Kansas, 12 percent; and Illinois, 7 percent.

Sheep and lambs on feed in the 11 Western States totaled 1.4 million head—1 percent more than a year earlier. Numbers on feed decreased 5 percent in Colorado, 8 percent in Montana, 11 percent in Wyoming, and 23 percent in Washington. Increases were as follows: Arizona, 65 percent; Idaho, 20 percent; New Mexico, 15 percent; Oregon, 7 percent; Utah, 5 percent; and California, 4 percent. Nevada showed no change.

Texas showed a decrease of 5 percent, and Oklahoma was down 36 percent

from January 1, 1961. New York had the same number on feed as a year earlier.

There were 2.5 million sheep and lambs on feed for market in the seven major feeding States on January 1, 1962. This was 7 percent less than the number on feed on January 1, 1961, and 1 percent less than the number on feed November 1, 1961. These seven States accounted for 59 percent of the United States total on feed. Compared with November 1, 1961, Kansas was up 10 percent; Texas was up 38 percent; and Colorado was up 1 percent. Iowa was down 1 percent; South Dakota, down 4 percent; Nebraska, down 8 percent; and California was down 21 percent.

On January 1, of the total on feed, 796,000 head, or 32 percent, were placed on feed during November and December. The remaining 68 percent had been on feed more than 2 months.

Fed lamb marketings during November and December were 6 percent above the corresponding 2 months of 1960. Marketings totaled 826,000 head, compared with 778,000 a year earlier.

*E. B. Hannawald
Statistical Reporting Service*

TURKEYS—Continued

keting season were down about 8 cents a pound from 1960 and the lowest since 1940.

Growers as of January 1 intended to raise 84 million heavy breed turkeys in 1962—11 percent less than last year. They plan to raise 31.6 million heavy white breed turkeys, a decrease of 3 percent from 1961. According to January 1 plans, heavy white breeds would account for about 38 percent of all heavies raised in 1962, compared with 34 percent in 1961. Growers plan to raise 52.6 million bronze and other heavy breed turkeys this year, 15 per-

cent less than 1961. Light breed growers plan to raise 10.2 million light breed turkeys, a decrease of 19 percent from 1961.

These figures are neither estimates nor forecasts of the 1962 turkey crop. They reflect growers' plans as of January 1. The actual number of turkeys raised in 1962 may vary from these intentions, the difference depending on growers' reaction to this report of intentions, the price of feed, supply of hatching eggs, and prices received for turkeys during the next few months.

*A. K. Potter
Statistical Reporting Service*

FARMER'S SHARE OF FARM FOOD DOLLARS DOWN LAST YEAR

Farmers received an average of 38 cents of the dollars consumers spent for farm foods in retail stores last year, compared with 39 cents in 1960. The farmer's share decreased because charges for marketing these products went up, and prices farmers received for them declined slightly. During the 1950's the farmer's share varied from 38 cents to 49 cents. (See the chart.)

Retail prices of farm food products averaged a little higher in 1961 than the year before, but the 1961 level was a shade below the peak in 1958.

Prices farmers received for food products averaged a little lower last year than in 1960, mainly because of lower prices for beef cattle and chickens. Prices of broilers dropped to the

lowest point in many years, reflecting a record production.

Marketing charges averaged 1 percent higher in 1961 than in the previous year. This increase was about the same as from 1959 to 1960. Marketing firms' costs probably were up a little.

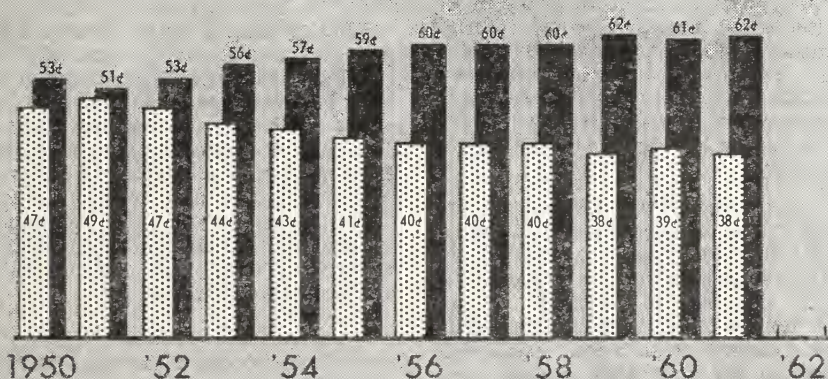
Charges for marketing farm food products have risen each year since 1950, and probably will go up again this year. Retail prices of these products may rise a little in 1962.

The increase in marketing charges expected may drop the farmer's share to 37 cents this year. Chances are good, however, that marketing charges may not rise enough to change the farmer's share that much.

Forrest E. Scott
Economic Research Service

Farmer's Share of Consumer's Retail Food Dollar Declines

Farmer's share  Marketing share* 



* DATA FOR MARKET BASKET OF FARM FOODS BASED ON AVERAGE 1952 PURCHASES BY URBAN FAMILIES.
1961 PRELIMINARY.

Grass and Legume Seed in 1962

Once again the spring planting season is near, and it is time to make final plans for spring plantings. One of the many important things to consider is the availability of grass and legume seeds. This year supplies of most seeds appear to be adequate, but some are in short supply, and some substitutions may have to be made.

In relation to domestic usage in recent years, the supply of some crops, notably lespedeza and sweetclover, would be short of needs. The supply of lespedeza is limited to our domestic production, but imports play an important part in the supply picture of sweetclover and will partially offset the shortage in our domestic supply. Crimson clover, lupine, hairy vetch, and common vetch are also in tight positions.

Supplies of some seeds—alfalfa, red clover, alsike clover, Ladino clover, orchardgrass, Kentucky bluegrass, and smooth bromegrass—appear to be adequate for usual spring and summer seeding requirements, but are not sufficient to allow for a normal carryover at the end of the year. If your plans call for any of these seeds, it might be well to place your order early and take delivery as soon as possible.

The supply is ample to plentiful for white clover, timothy, redbud, Merion Kentucky bluegrass, Chewings fescue, red fescue, tall fescue, bentgrass, crested wheatgrass, and Sudangrass. Austrian winter peas, purple vetch, and all ryegrass are in a similar supply situation.

Kinds and varieties of seed are important. Be sure that the purchases are best suited for your area and for the purposes (hay, silage, or pasture) for which they are to be used. If you have doubts about adaptability, hardiness, disease resistance, and yield potential for your area, consult your county agricultural extension agent.

Jack L. Aschwege
Statistical Reporting Service

Father-Son Agreements for Operating Farms, Farmers' Bulletin No. 2179, 18 pages.

Father-son farm agreements are of two general kinds: (1) Farm-operating agreements and (2) farm-transfer agreements. This bulletin deals with farm-operating agreements only.

In covering this specific kind of father-son agreement, the bulletin discusses kinds of farm-operating agreements—decisions to be made—drawing up the agreement—and tax considerations.

Part-Time Farming, Farmers' Bulletin No. 2178, 14 pages.

A part-time farmer is one who lives with his family on a farm—usually a small farm—but gets a big part of his income from sources other than his farm.

The bulletin discusses various aspects of part-time farming such as the advantages and disadvantages—the land, labor, and equipment—selecting a farm—buying a farm—types of farming activities for the part-time farmer (growing fruits and vegetables, raising chickens and livestock, keeping bees, growing and harvesting forest products, and miscellaneous activities).

Family Food Stockpile for Survival, Home and Garden Bulletin No. 77, 16 pages.

USDA research aimed at helping the United States survive an enemy attack had led to the publication of this booklet. It gives details on the food and water needs of people in the event of atomic or H-bomb emergency. It contains sample meal plans and information on storing and replacing foods. Other topics covered are: Equipment for cooking and serving, safe sources of water for storage, how to purify water, and storing water reserves.

You may obtain a free copy of these publications by writing to the editor, Agricultural Situation, Agricultural Economics, MOS, Information, USDA, Washington 25, D.C.

"Bert" Newell's Letter

Here it is February again—seems like the years zip around pretty fast, doesn't it? There are just not enough hours in the day or days in the month or months in the year to get all the things done that need doing.

There was a time, a good many years ago, when February was considered a light month, and there was time to catch up on a few things. Those days are gone forever. I was looking over the calendar on my desk, and there are just 4 days in February when one or more reports are not issued from the Washington office. Of course, the States put out a good many more than we do here. This kind of schedule certainly does not leave much time for twiddling your thumbs.

Of course, you might put down the time I use in writing this letter as "thumb twiddling," and I guess it is. I think, though, that we might be excused for just a little diversion.

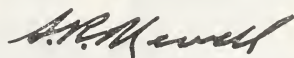
Anyway, the fact that we have such a full schedule the year round is at least one pretty good indication that more people want and use the information. And I want to add that in addition to the regular, planned reports, there are always special needs that result from a variety of conditions impossible to anticipate. I saw an excellent example of this sort of thing on a recent visit to the Florida office. You remember that the storms during the first part of January funneled a great deal of real cold air far down into the Southland. Early vegetables and citrus were badly damaged in many areas, and overnight the previous estimates became almost worthless as a guide for the whole industry. I was in the Florida office when things began to pop, and I really mean pop.

I'm not trying to toot our own horn or do a lot of bragging, but, honestly, I wish you could have looked in on that office for a few days. Lights burned late, and Saturday and Sunday were

completely forgotten. Telephones jangled incessantly. The field enumerator forces were alerted, instructions prepared, and in a 5-day period a full-scale survey of the entire citrus area was completed. The tabulation and analysis of the reports were handled over Saturday and Sunday, and the second day after that, at noon, farmers and the entire industry had a comprehensive report on the damage and an estimate of the volume of fruit remaining for harvest. That was real fast moving, and we felt pretty good about the compliments and "thank you's" that came in from all over for stabilizing a very chaotic situation.

Now I just used Florida because I was there and happened to have a good, firsthand look at what went on. We knew that the same sort of thing was going on in the Texas office and several others. Actually, every one of the 43 Statistical Reporting Service offices and the State Statisticians in Charge, who handle the crop and livestock estimating work, meet the same kind of emergencies almost every year. When they happen, the boys and girls wade in with all of the facilities they have at their disposal. Of course, I don't need to say it, but I will anyway. A very big part of the facilities are the voluntary reporters who give so generously of their time in these emergencies. We thank you, and everyone thanks you.

Well, February is kind of the beginning of a new crop year for many crops. Next month we'll be asking for your report on intentions to plant, and from then on we will be in the new crop year for sure. Of course, there is no way of telling what the year will bring. Naturally, we hope there will be no more emergency or disaster conditions to deal with. These are always hard for you and for us, too. But if some of those unexpected conditions should develop, you can be sure the agricultural estimating service will be in there trying to help as much as we possibly can with objective appraisals of the situation.



S. R. Newell
Chairman, Crop Reporting Board, SRS



Growth Through

February 1962

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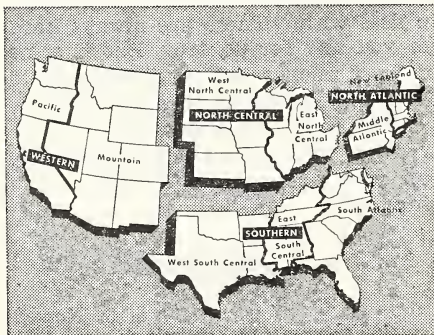
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